

**Jackson Economic Development Authority**  
**June Meeting Minutes**  
**Thursday, July 11<sup>th</sup>, 2019, 12:00 p.m., Jackson City Hall**

**Voting Members:**      PN\_ Kent Bargfrede      PN\_Brandon Finck      \_X\_Dennis Frodermann  
                                 \_X\_Tim Olson, Vice Chair      \_X\_Rocky Sieler, Chair      \_X\_Arlene Vee, Sec./Treas.  
                                 \_X\_Mayor Wayne Walter

**Staff:**                              \_X\_ Thomas Nelson      \_X\_ Matt Skaret

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**1. Call to order**

**Meeting was called to order by Chairman Sieler at 12:05 p.m.**

**2. Agenda Changes**

- a. **Options for Riverside Elementary**
- b.

**3. Consent Agenda**

- i. June 6th, 2019 Minutes
- ii. New SCDP loan - 308 River Street
- iii. New SCDP loan - 107 Bluff Avenue
- iv. New SCDP loan - 212 Thomas Hill Road
- v. Facade Improvement program - Extreme Beat Dance Studio  
Forgivable amount of \$4,413.84, uses the last of the funds.

**Mayor moved to approve the Consent Agenda; seconded by Vee. Motion passed unanimously.**

**4. Reports**

- a. EDC Report: We have identified two new leads for a laundromat, the couple from before have fallen through, one for financing and the other decided he had too many projects going on right now. A very base level at this point. Spec Building - a couple new leads there, base level yet. The JEDC has added more signage and promotional materials. Hotel Development - same four parties that have expressed interest, this morning Cobblestone came in this morning and was on site today. This is the second group that has done an on site visit. They are very interested, specifically for the hotel portion. They have some financing available yet for another project in Minnesota, besides their current Austin project. They would still be looking for some local investors, upto 49% of the project. They are interested in the local incentives. Nelson wants to know where they are at and what the gap financing would be. They would be looking for about 2 million for the hotel and to add on a convention space would be about 2.2 million so 50% of that for local investing, total is about \$3 million. Nelson is still trying to get a meeting with Tod Quiring. Nelson let them know that in order to get local investors they are going to be looking for a convention space as an amenities. Strip mall - Nelson has been able to establish a couple leads on tenants so able to pass that onto potential developers. Local businesses - have connected with numerous potential businesses and advising them, one that is operating out of their home in Lakefield and wants to come to town, a number

of businesses that are in town that are looking for new or larger space. Community Art - had a meeting with Virginia & Company and Blaise Jacobson, they are starting to work on a design for a mural on the side of her building. Nelson's role is getting them together to start this process and talk to the Center for the Arts on getting some financing.

Business Facade Improvement program - the final application came through requesting \$5,000 but only \$4,400 is left so they will go forward with as much is left. Another great project with a complete overhaul of the facade of that building. We have been working on the rental listings and will be creating the icons and working on the map. We have received a few more rentals that will be added to the list, but some are still not wanting to go public, which is fine.

Prior meetings attended: Business visits with both Pioneer and CAT Ziegler which went very well. Habitat for Humanity is very interested in expanding from Martin and Faribault Counties into Jackson County. Upcoming meetings: Tonight is the Southwest Regional Development Commission Annual meeting, JEDC board meeting, Coalition of Greater Minnesota Cities has their conference on July 24-26, that is in Bemidji, both Nelson and Skaret will be attending. EDA meeting on August 8th, Chris Giesen from CEDA will be attending this meeting. August 10th - 23rd, Nelson will be out of the office for military training.

- b. SCDP Report - We haven't gained too many more leads but as you can see from the Consent Agenda a number of projects are starting. The Grant portions on these are \$22,000, \$18,500 and \$8,656.00, some pretty sizable projects. The end of July we are going to push out another flyer to get it out to everyone in town. We had a lot of people stop in after the last flyer distribution but had some either not qualify due to not in the target zones or in the income requirements.
  
- c. Financial Report - May EDA Fund - 616 Fund, general funds, \$270,444.87, the tax levy came in and this is where the tax abatement money sits, Income YTD \$12,928.13, expenses of \$8,753.75. Revolving Loan Fund - 801 Fund - \$490,369.85 available, income YTD \$37,648.14, expenses \$21,800, 12 loans total with the outstanding balance of \$354,275.45. For the SCDP Income - 802 Fund - currently at \$10,310.26, YTD Income so far is \$5,994.32, YTD Expenses of \$15,152.72 primarily the Virginia & Company loan, with outstanding \$42,699.81. Nelson has had Classic Hair reach out to him regarding their roof needing repairs or replacement, not sure yet of the cost of that project. Housing Program Fund - 804 Fund - cash available at \$52,847.91, YTD income is \$8,008.43, expenses being \$0.00, with those 3 fix-up loans that have been approved of \$12,164, outstanding loans at 17, and outstanding is \$46,744.59. Two loans have been paid off from the housing programs, but Schwartz is late on two of his payments, Nelson is working on getting in touch with him.

## **5. EDA Owned Properties**

- a. Sunset View Phase 1 - nothing to report
- b. Sunset View Phase 2 - Nelson has received a request for information on the parcel legal definitions for a Worthington contractor. Nelson has sent the legal descriptions to a bank in Worthington. The contractor from Fairmont has not moved forward yet but we know that he was looking at doing more in the fall and is interested in at least two homes, if not

more. We might want to think of ways to incentivize them to potentially buy more lots so they build one or two a year. Nelson is going to ask the contractors that are building if he can take some photos and post them so that we show there is new construction happening, just as we will be taking photos of the Facade Improvement projects to show projects that the EDA is working on so the community is aware. Nelson shared that Brandon will likely be coming forward with a proposal of purchasing a lot. We will look back in the minutes, but he said that two years ago the EDA had received a request to split up the corner lots to buy. At that time the EDA decided to wait two years to see if we can get them filled and then there would be the potential for two neighbors to split up the corner lot. The formal request has not come through and Nelson will look through the minutes to find this prior discussion.

- c. Westview Ridge - nothing to report

## 6. Other Business

- a. Splash Pad request - At the last meeting the group approved to recommend to the Council to approve up to \$22,000 for infrastructure if the project were to go right next to the high school. This was not recommended to the Council as the decision before the next meeting was to put the splash pad near the ballpark. They are moving forward as they received some additional funds. They are requesting if the EDA would be interested in infrastructure at the new location for hook-ups and curb and gutters. With the new location they will not be able to share facilities with the high school.
- b. Bidne swing set - Nelson has talked with them and it will be moved next week.
- c. 2019 Housing Study recommendations - Nelson has set up a system to prioritize the recommendations of 1 - 4, with 1 being of high importance/high urgency, 2 being high importance/lower urgency, 3 being lower importance/high urgency and 4 being lower importance/low urgency. 1 is to prioritize to do now, 2 is the next step in line of things to work on, 3 we are going to do it and 4 would be like monitoring as no action is really needed. Then if we can identify the energy and cost. #1 - Develop general occupancy market rate rental units, townhouse/apartment style housing. This one ties in with #9 which is to develop a downtown mixed-use commercial/housing project. One option could be to talk to Mitch Jasper and buy property from him, redevelop it ourselves and attract a developer to do another apartment building. There is a redevelopment and demolition grant dollars that could be a potential option or townhouse style high quality apartments is not something we want to do next to the subdivision. So then the task would be to identify land for it, which could be land that is set aside next to Eagle Ridge. The article in the paper talked about 60 rental units in the next 5 years, which includes market rate, subsidized and student housing. Market rate and subsidized units at Eagle Ridge are always full, the tax credits are not full. According to the Study, with the market rate units there is a 10% vacancy rate but if you took out Rolling Hills it was a 4.8%. There is revolving but mostly due to the younger professionals that come in and move away or buy a home, and then are filled within a month. There is a need. In order to get the funding for Eagle Ridge we had to make it market rate, subsidized and tax credit, it was suggested that we might have to do it that way again to get funding from the State. Nelson asked whether the Board wanted to work towards townhomes such as Eagle Ridge or apartments like Ashley Estates. Southwest Minnesota Housing Partnership is the entity to work with for combining the different rentals, Rick Goodeman was in charge of they have new leadership there now. It was suggested that this should be the starting

point to see what's available out there if the State has any funding and what type of funding it covers. In regards to an apartment building, Windom did just get a 48 unit building, they gave the lot away and have four different entities submit proposals to build it. The land that Jasper has the cement is not an asset, we would have to get that ready and then go to a developer with a lot ready to go. With the townhomes we would have to get the subdivision ready to go so that would involve infrastructure. The next steps would be to check into the Southwest Minnesota Housing Partnership and the programs they have for the townhomes and check into a Redevelopment Grant for the apartment building. It was decided to mark #1 as a 2 since this is something that we want to work on but it is a long term project. Nelson will also talk with CEDA for possible funding options.

**New Business**

- a. Due to time constraints, it was decided to add discussion about future options for Riverside Elementary to next month's agenda.

**7. Adjourn**

**Chairman Sieler adjourned the meeting at 1:08 pm**